

December 9, 2009

President Barack Obama
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

As 2009 winds to a close, we appreciate the opportunity to return to the White House for a bipartisan discussion of the jobs situation in our country, an urgent matter which we believe has too often been neglected this year by policymakers in Washington.

The harsh reality beyond the Beltway is that the American economy continues to suffer and shed jobs at an unacceptable rate. Millions of American jobs have been lost since the “stimulus” legislation was signed into law in early 2009, the overwhelming majority of them private sector jobs, with another 11,000 lost last month. And long-term unemployment in America continues to rise as many Americans simply give up looking for work altogether, a disturbing trend that must be reversed.

As we prepare to enter 2010, the American people face the daunting prospect of what is, at best, a jobless recovery – something quite different from the immediate job creation and lower unemployment rates they were promised when the massive “stimulus” was signed into law. As your administration prepares to enter its second year, Americans are looking back at the events of the past year and asking, “Where are the jobs?” The urgency of their question has been intensified in recent weeks as you and your colleagues in the Democratic congressional leadership have announced plans to enact another “stimulus” bill financed with money borrowed from future generations of Americans.

The truth of the matter is that small business, not government, is the engine of job creation in America. Unfortunately, the policies that have been pursued in Washington throughout the past year too often seem to have it backwards. Millions of private sector jobs have been destroyed during the past year. Yet instead of receiving relief from Washington, small businesses have watched with anxiety as their government has devoted its attention to enactment of a job-threatening government takeover of health care, a job-threatening “cap and trade” national energy tax, and other policies that discourage job creation. Small businesses are frozen in their tracks as other sectors of our economy – most notably government – continue to grow.

Last week, following an economic roundtable on Capitol Hill, former Congressional Budget Office Director Douglas Holtz-Eakin warned that an agenda of “higher taxes, easier unionization, protectionist trade policy, intrusive energy and environmental regulation, expansive and costly health care, and enormous budget deficits as far as the eye can see – remains the

single greatest impediment to the creation of jobs by small businesses and entrepreneurs.” Mr. Holtz-Eakin's warning was echoed this week by William Dunkelberg, chief economist for the National Federation of Independent Business (NFIB), who said “[t]he legislative agenda in Washington is a major factor blunting consumer and owner optimism.” In short, small businesses need relief from Washington, but over the past year, they've essentially been under attack.

At the start of this legislative year, as you assumed the presidency, Republicans pledged that when we disagreed with you on policy matters, we would not simply be the party of "opposition," but the party of better solutions. Throughout the past year, on matters ranging from jobs/economic recovery and health care to savings, energy, and federal spending, we have honored this pledge. House Republicans formed solutions groups on all of these issues that have developed detailed legislative proposals for your consideration.

With respect to job creation specifically, we presented formal ideas to you in January and again in October, ideas we believe offer a roadmap for a bipartisan approach to helping small businesses get back on their feet and begin creating jobs. With today's meeting, we appreciate the opportunity to present further ideas for your consideration, developed by the House GOP Economic Recovery Solutions Group – and, on behalf of the House GOP American Energy Solutions Group, to respectfully convey a note of caution as you prepare to depart for the global climate change conference in Copenhagen.

To that end, attached please find several proposals developed by the House GOP Economic Recovery Solutions Group that we believe will help restore confidence in our economic future and free our nation's employers to begin creating jobs. Given our record national deficit, we believe it is important to pursue policies that help grow the economy and support job creation without additional government spending, new bureaucracies, or added debt that will be left to our children and grandchildren. Moody's Investors Service has indicated that should we fail to address the growing national debt, our nation's credit rating could be downgraded.

While we appreciate the indication that you are willing to look at deficit reduction as part of next year's budget, rather than increasing spending today and promising deficit reduction in the future, we believe we should act now to demonstrate a commitment to fiscal restraint. Simply put, Washington cannot keep spending money that we do not have. That is why we have proposed limiting non-defense discretionary spending to last year's level. As the Congress is currently debating an omnibus appropriations bill, there is no reason to wait to act on the deficit when we can act now.

We also appreciate this opportunity to reiterate our concerns with reports that your Administration may commit the United States to global climate change standards that will threaten American jobs during your trip to Copenhagen. A binding emissions reduction scheme is certain to have a negative impact on the American economy, particularly for small businesses and the manufacturing and agricultural sectors, during what is already a period of considerable economic difficulty. As members of the House GOP American Energy Solutions Group warned in a letter days ago, it is clear that a binding plan agreed to in Copenhagen would cost jobs in the

United States. As such, we respectfully seek your assurance that U.S. negotiators will not endanger American jobs by committing our government to an emissions reduction protocol at Copenhagen. We believe strongly that a better approach is an “all of the above” energy solution that will ensure energy independence, create American energy by American workers, and help to promote a cleaner environment.

Again, we thank you for the opportunity to return to the White House to discuss the jobs situation in America. As 2009 draws to a close, we would welcome further opportunities to discuss these proposals and issues with you, and to look at any other options for bipartisanship to help struggling working families and small businesses.

Sincerely,

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Attachment: House GOP Economic Recovery Solutions Group Jobs Plan